

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6604

BILL NUMBER: SB 174

DATE PREPARED: Dec 16, 1998

BILL AMENDED:

SUBJECT: U.S. 31 corridor development.

FISCAL ANALYST: James Sperlik

PHONE NUMBER: 232-9866

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 X FEDERAL

IMPACT: State

Summary of Legislation: This bill requires the Indiana Department of Transportation to take the following actions concerning the transportation corridor between St. Joseph County and Marion County: (1) Undertake any additional studies. (2) Undertake any environmental impact statement needed. (3) Determine the right-of-way. (4) Determine the costs of obtaining the right-of-way. The bill authorizes the Indiana Department of Transportation to purchase any necessary right-of-way for the improvements. It requires the Indiana Department of Transportation to prepare an annual report for the Governor until the improvements have been completed.

Effective Date: July 1, 1999.

Explanation of State Expenditures: According to the Department of Transportation, this proposal will result in the following costs, assuming the bill's reference to "improve the corridor" or "improvements to the corridor" means building a freeway-type facility:

\$ 4,000,000	Environmental Impact Statements (EIS) for the corridor
\$64,000,000	Design plan preparation costs that would have to be incurred in order to determine the right of way for improvements
\$15,000,000	Right of way engineering, abstracting, and appraisal costs to be incurred in determining the cost of obtaining the needed right of way.
\$83,00,000	Total Impact

The \$64,000,000 for design work is necessary for a project of this magnitude with total cost estimated in excess of \$1 billion. The \$15 million represents the cost of abstracting and appraisal costs for an estimated 3,000 parcels of land. The cost per parcel is estimated at \$5,000. The corridor length is 140 miles.

The Indiana Department of Transportation has completed a major corridor study for the corridor referenced in the bill. As a result, the studies referred to in the proposal are not included in the estimated costs.

The funds affected are federal funds and the State Highway Fund. The \$83 million cost is expected to be spent over a ten year period. This bill does not make an appropriation.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Transportation.

Local Agencies Affected:

Information Sources: Dennis Faulkenberg, Deputy Commissioner and Chief Financial Officer, Indiana Department of Transportation, 232-1472.